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OSMA-0729-64

23 March 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Status of the [] Project

DOCUMENT NO. []
NO. 1 [] CLASS. **K**
DATE [] 2011
AUTH. []
DATE [] REVIEWER: []

1. I gather, from recent conversations with people within DD/S&T, that there is some confusion and misunderstanding as to the exact status of the [] Project. In order to set the record straight, as I know it, the following is a chronology of events to date:

a. Memorandum sent to the DNRO on 11 December 1963 requesting [] be made available to the Agency. (Since that date, I have made on the average two to three phone calls per week to [] NRO Comptroller, and [] EXO/NRO, inquiring as to the progress. My most recent call indicated no date has been set for the transfer).

b. On 16 February 1964, a memorandum was forwarded from OEL to the D/OL outlining the [] Program and requesting that "the selection of contractors not be called into question by OL unless overriding factors preclude negotiation with a particular firm". This was concurred by the D/OL.

c. Subsequently, the C/PD/OL took exception to OEL's 16 February 1964 request for contractor designation authority stating that two bids had been submitted (LAC and [] and, therefore, negotiations must take place.

d. On 11 March 1964, [] instructed the C/PD/OL to proceed with negotiations with LAC and [] These negotiations are now complete and proposals are expected within two weeks. [] OL, has indicated that he feels a realistic date for consummation of a contract is around 1 June 1964.)

e. Additionally, OL is insisting on an incentive-type contract rather than a T&M or CPFF. In a project like this, the implication of the above can be readily seen ie, continual negotiation.

NRO
review(s)
completed.

GROUP 1
Excluded from automatic
downgrading and
declassification

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2. What with 1 June 1964 appearing to be the most realistic date when we could designate where delivery of the aircraft is to be, I am now very reluctant to continue pushing the DNRC for the aircraft. I think the best we can hope for is that [] continues to drag its feet in delivery of the aircraft until late May or early June so that we won't find ourselves in the embarrassing situation of having aircraft and no place to put them.

[]
Programs Staff
(Special Activities)

PS/OSA [] (23 March 1964)

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